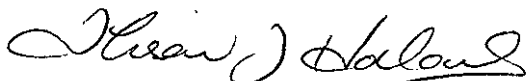


NOTICE IS HEREBY GIVEN that the SEVENTY-NINTH ANNUAL GENERAL MEETING of the Company will be held at BP House, Breakspear Way, Hemel Hempstead, Herts, HP2 4UL on *Thursday 23rd May 1996 at 9am* for the transaction of the following business:

- 1 To consider and adopt the Report of the Directors and the Accounts for the year ended 31 December 1995.
- 2 To re-elect a Director
- 3 To re-appoint Ernst & Young as Auditors.
- 4 To authorise the Board to fix the remuneration of the Auditors.

By order of the Board



Assistant Secretary

*Alison J Holloway*

BP House  
Breakspear Way  
Hemel Hempstead  
Herts  
HP2 4UL

*23 May 1996*

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company.

Secretary

L E Mallett

Registered Office

BP House  
Breakspear Way  
Hemel Hempstead  
Herts  
HP2 4UL

Auditors

Ernst & Young



**ANNUAL REPORT AND ACCOUNTS 1995**

Board of Directors:- J R W Orange  
M G Baker  
J Sherrard-Smith

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**REPORT OF THE DIRECTORS**

The directors present their report and accounts for the year ended 31 December 1995.

**Principal activity**

The Company acts only as agent for BP Oil UK Limited in the operation of Llandarcy Refinery.

It is the intention of the directors that the above business of the Company will continue for the foreseeable future.

**Results**

The profit for the year of £4,500 when added to the retained profit brought forward at 1 January 1995 of £18,000 gives a total retained profit carried forward at 31 December 1994 of £22,500. The directors do not propose payment of a final dividend.

**Directors**

Mr J R W Orange and Mr M G Baker served as directors throughout the financial year. Mr J Sherrard-Smith was appointed a director of the Company with effect from 21 November 1995 in place of Mr A M Thomas who resigned as a director with effect from 16 November 1995.

In accordance with Articles of Association Mr Sherrard-Smith retires and, being eligible, offers himself for re-election.

**Directors' interests**

The interests of the directors holding office at 31 December 1995 and their families, in the 25p ordinary shares of The British Petroleum Company p.l.c. were as set out below:

	31 December 1995	1 January 1995 or date of appointment
J R W Orange	10,605	9,712
M G Baker	2,773	2,160
J Sherrard- Smith	7,757	7,757

## **BP OIL LLANDARCY REFINERY LIMITED**

### **REPORT OF THE DIRECTORS (Continued)**

#### **Directors' interests (continued)**

In addition, rights to subscribe for 25p ordinary shares in The British Petroleum Company p.l.c. were granted to, or exercised by, the directors between 1 January 1995, or date of appointment, and 31 December 1995 as follows:-

	Granted	Exercised
J R W Orange	Nil	Nil
M G Baker	6,000	6,000
J Sherrard-Smith	Nil	Nil

None of the directors had any interest in shares or debentures of subsidiary companies of The British Petroleum Company p.l.c. at 31 December 1995.

#### **Insurance**

Pursuant to Section 310 of the Companies Act 1985 for the year ended 31 December 1995, policies of insurance was purchased and maintained by the ultimate parent company for the directors and officers of the Company against the financial consequences of actions brought against them by outside parties for their acts or omissions in the performance of their duties as directors and officers of the Company.

#### **Disabled Employees**

The Company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the Company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

#### **Employee involvement**

During the year employee involvement in the Company's affairs continued to be encouraged

The Llandarcy Employee Forum, covering all employees, continued to provide a focus for two way communication between management and employees giving the opportunity to debate such items as company performance and business strategies. The Forum meets monthly and issues may be taken to the BP Oil UK Employee Forum for discussion if this is felt appropriate. The BP Oil UK Employee Forum meets twice a year and issues from this Forum, in turn, may be taken to the Oil Europe Employee Forum as appropriate.

**BP OIL LLANDARCY REFINERY LIMITED**

**REPORT OF THE DIRECTORS (continued)**

**Employee involvement (continued)**

An ongoing programme of dialogues involving all employees, hosted by the OPU manager, provided opportunities for staff to discuss issues and factors affecting them and the Company's performance. Communication briefs and a Report to Employees were also produced.

A number of site wide cross-functional Quality Improvement Teams were established with the aim of improving performance in the areas of safety, quality and customer responsiveness.

Once again the opportunity to participate in the BP Group share schemes was offered to eligible employees.

Employees were also encouraged to direct the Company's donations to UK charities. The Company again agreed to match employee contributions up to a limit of £1000 subject to certain criteria. Employee fund raising activities were similarly encouraged and matched.

Involvement with local schools on behalf of the Company continues to be encouraged and some employees have volunteered as Link Officers. Further employees are also encouraged to take up roles as School Governors.

**Auditors**

Ernst & Young have expressed their willingness to continue as auditors and their re-appointment at the Annual General Meeting is proposed in accordance with Section 385 of the Companies Act 1985. It is also proposed that the directors be given authority to fix the auditors remuneration.

By order of the Board



Assistant Secretary  
*Alison J Holloway*

BP House  
Breakspear Way  
Hemel Hempstead  
Herts  
HP2 4UL

*23 May 1996*

## **BP OIL LLANDARCY REFINERY LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis as the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that they have complied with these requirements.

**BP OIL LLANDARCY REFINERY LIMITED**

**REPORT OF THE AUDITORS TO THE MEMBERS OF**  
**BP OIL LLANDARCY REFINERY LIMITED**

We have audited the accounts on pages 6 to 9 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 31 December 1995 and of the profit of the Company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young*  
*Ernst & Young*  
Chartered Accountants  
Registered Auditor  
London

*23 May*

1996

**BP OIL LLANDARCY REFINERY LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1995**

	Note	<u>1995</u> £	<u>1994</u> £
Turnover	2	5,000	5,000
Administration expenses	3	500	500
<b>Profit before taxation</b>		<u>4,500</u>	<u>4,500</u>
Taxation	4	-	-
<b>Retained profit for the year</b>		<u>4,500</u>	<u>4,500</u>

**Statement of total recognised gains and losses for the year ended 31 December 1995**

There are no recognised gains or losses attributable to the shareholders of the Company other than the profit of £4,500 for the year ended 31 December 1995 (1994 profit -£4,500).

**BALANCE SHEET AT 31 DECEMBER 1995**

	Note	<u>1995</u> £	<u>1994</u> £
<b>Current assets</b>			
Debtor due within one year:			
Parent undertaking		<u>222,500</u>	<u>218,000</u>
<b>Represented by</b>			
<b>Capital and reserves</b>			
Called up share capital	6	200,000	200,000
Reserves	7	<u>22,500</u>	<u>18,000</u>
		<u>222,500</u>	<u>218,000</u>

*M. G. Baker*  
Director, M. G. BAKER.  
23 May 1996

# **BP OIL LLANDARCY REFINERY LIMITED**

## **NOTES TO THE ACCOUNTS**

### **1 Accounting Policies**

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

As the ultimate parent undertaking has published a group cash flow statement in compliance with Financial Reporting Standard No.1, a cash flow statement is not presented in these accounts.

### **2 Turnover**

Turnover represents managing agency fees after recoveries of all reimbursable expenditure.

### **3 Administration expenses**

	<u>1995</u>	<u>1994</u>
	£	£
Auditors' remuneration - audit fees	500	500
	<hr/>	<hr/>

### **4 Taxation**

The Company is a member of a group for the purposes of relief under Section 402 of the Income and Corporation Taxes Act 1988. Owing to the availability of group relief, no provision for corporation tax has been made in the accounts of this Company. The group's current corporation tax liability has been provided in the accounts of BP International Limited, a parent undertaking.

Provision for deferred taxation is not required.



## **BP OIL LLANDARCY REFINERY LIMITED**

### **5 Directors and employees**

#### **Remuneration of directors**

None of the directors received any fees from the Company during the year. (1994-Nil). Other emoluments paid to two directors were £105,006, both in respect of part periods of 1995 (1994 - £87,409). The highest paid director received £93,188. There were no contributions to the pension fund in 1995.

The remaining directors were directors of, and were remunerated by other subsidiaries of The British Petroleum Company p.l.c. and received no remuneration for services to this Company. Pensions to past and present directors are paid from a funded BP Group Pension Scheme.

The number of directors with emoluments, excluding pension contributions, within the following prescribed ranges were:

	<u>1995</u>	<u>1994</u>
£10,001-£15,000	1	-
£85,001- £90,000	-	1
£90,001-£95,000	1	-

#### **Employee costs**

	<u>1995</u>	<u>1994</u>
	£'000	£'000
Wages and salaries	6,007	7,052
Social security costs	547	568
Pension costs	-	-
	<u>6,554</u>	<u>7,620</u>

Average number of employees during the year :

	<u>1995</u>	<u>1994</u>
Operations	150	167
Maintenance	75	75
Others	53	43
	<u>278</u>	<u>285</u>

### **6 Called up share capital**

	<u>1995</u>	<u>1994</u>
	£	£
Authorised, allotted and fully paid: 200,000 ordinary shares of £1 each	200,000	200,000

## **BP OIL LLANDARCY REFINERY LIMITED**

### **NOTES TO THE ACCOUNTS (Continued)**

#### **7 Reconciliation of shareholder's funds and movements on reserves**

	<u>Share capital</u> £	<u>Reserves</u> £	<u>Total</u> £
At 1 January 1994	200,000	13,500	213,500
Profit for the year	<u>-</u>	<u>4,500</u>	<u>4,500</u>
At 1 January 1995	200,000	18,000	218,000
Profit for the year	<u>-</u>	<u>4,500</u>	<u>4,500</u>
At 31 December 1995	<u>200,000</u>	<u>22,500</u>	<u>222,500</u>

#### **8 Pensions**

The Company is a participating employer in the BP Group's principal UK pension plan (the BP Pension Fund). The BP Pension Fund is separately funded and provides defined benefits that are computed based on an employee's years of service and final pensionable salary. Contributions are made to the BP Pension Fund on the basis of advice from independent actuaries, using actuarial methods the objective of which is to provide adequate funds to meet pension obligations as they fall due, and are based on pension costs in respect of all members of the Fund. Actuarial surpluses and deficiencies are amortised over the expected remaining service lives of members and charged or credited to income as appropriate in the accounts of BP International Limited, a parent undertaking, having regard to the overall position of the Fund.

Particulars of the most recent actuarial valuation of the BP Pension Fund as at 1 January 1995 are included within the financial statements of the ultimate parent undertaking.

There was no pension charge in 1995 (1994 - £Nil).

#### **9 Ultimate parent undertaking**

The ultimate parent undertaking of the group of undertakings for which group accounts are drawn up, and of which the Company is a member, is The British Petroleum Company p.l.c., registered in England & Wales. Copies of the accounts of The British Petroleum Company p.l.c. may be obtained from Britannic House, 1 Finsbury Circus, London EC2M 7BA.